## IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

CLONTECH LABORATORIES, INC.,

٧.

Plaintiff,

Civil Action No. H02-0017

BAYLOR COLLEGE OF MEDICINE and BCM TECHNOLOGIES, INC.,

Defendants.

## BAYLOR'S COVENANT NOT TO ASSERT THE '808 PATENT

Whereas, Baylor College of Medicine and BMC Technologies, Inc. (collectively, "Baylor") filed suit against Clontech Laboratories, Inc. ("Clontech") on November 30, 2001, which suit is styled Baylor College of Medicine and BCM Technologies, Inc. v. Clontech Labs, Inc., numbered 2001-61352, and assigned to the 133rd Judicial District Court for Harris County, Texas (the "State Court Suit").

Whereas, in the State Court Suit Baylor alleged solely state law causes of action arising out of Clontech's misappropriation of technology and trade secret materials Baylor had furnished to Clontech.

Whereas, on January 4, 2002, Clontech (i) removed the State Court Suit to Federal Court, alleging that Baylor's state law claims necessarily hinged on a substantial question of patent law relating to U.S. Patent 5,851,808 (the "'808 Patent") obtained by Baylor, and (ii) simultaneously filed this declaratory judgment action, feigning apprehension of a infringement suit by Baylor under the '808 Patent.

## **EXHIBIT A**

Whereas, the Federal Court to which the State Court Suit was removed remanded the State Court Suit after "conclud[ing] that Clontech did not have an objectively reasonable basis upon which to believe that removal was proper." Memorandum Opinion and Order at p. 8.

Whereas, Baylor has moved to dismiss this declaratory judgment action, pointing out that, inter alia, this suit is a procedural ploy on Clontech's part to litigate its defense to the State Court Suit in Federal Court, which ploy is apparent on the face of Clontech's pleading. See Complaint for Declaratory Judgment at ¶¶ 23 & ¶ 24.

Whereas, Clontech has filed its opposition to Baylor's motion to dismiss, reiterating its mock-fear of an infringement suit based on the '808 Patent.

Whereas, Clontech, however, acknowledges that "Baylor itself can control the disposition of this action" because a "'patentee defending against an action for declaratory judgment of invalidity can divest the trial court of jurisdiction over the case by filing a covenant not to assert the patent at issue against the putative infringer with respect to its past, present, or future acts." Plaintiff's Opposition to Defendant's Motion to Dismiss at p. 14 (quoting Super Sack Mfg. Corp. v. Chase Packaging Corp., 57 F.3d 1054, 1058 (Fed. Cir. 1995), cert. denied, 516 U.S. 1093 (1996)).

Now, Therefore, to avoid the entirely unnecessary and unprincipled tax on this Court's energies and resources that Clontech seeks to impose, and to move forward with the State Court Suit unburdened by Clontech's jurisdictional machinations, Baylor hereby covenants not to assert the '808 Patent against Clontech with respect to its existing or past Creator<sup>TM</sup> products, as of the date of this covenant. This covenant is without prejudice to Baylor's right to assert the '808 Patent against other parties. This covenant also is without prejudice to any other patents,

including continuations, continuations-in-part, divisionals, reissue, and reexamined patents, as well as foreign counterparts.

Dated this 17th day of February, 2003.

AGREED:

David P. Blanke

Attorney-in-Charge

State Bar No. 02453600 (SD No. 28946)

**Tracey Davies** 

State Bar No. 24001858

M. Michelle Muller

State Bar No. 24037155

VINSON & ELKINS L.L.P.

The Terrace 7

2801 Via Fortuna, Suite 100

Austin, Texas 78746-7568

Tel: (512) 542-8400

Fax: (512) 542-8612

Jason M. Powers

State Bar No. 24007867 (SD No. 23567)

David K. Wooten

State Bar No. 24033477 (SD No. 30375)

VINSON & ELKINS LLP

1001 Fannin Street

**Suite 2300** 

Houston, TX 77002-6760

Tel: (713) 758-2222

Fax: (713) 758-2346

Attorneys for Defendants Baylor College of Medicine and BCM Technologies, Inc.